REMARKS

Claims 1-12 are pending in the application. Claims 1-12 are rejected.

Claims 1-12 are rejected under 35 USC §102(b) as being anticipated by Maeda et al. (US Patent No. 5,341,441).

In the office action, both in the comments directed to the current rejection and the response to arguments, it is stated that 'performing output image color space processing in combination with the decoding as a single process (Please note Figures 1 and 9, *elements 19-21*, that is, the receiving, the decoding and the color conversion are all sub-processes of a larger process).

However, in Applicant's invention as claimed in amended claims 1 and 11, the color space processing and the decoding are not sub-processes of a larger process, but are done in the same process. Further, there is only one decoding element in the Applicant's invention as claimed. This has been more clearly pointed out in claims 1 and 11. With regard to claim 12, there is no decoder in Maeda that decodes a value where the output value reflects *both* the color space processing effects on the value and the decoding of the input value.

It is therefore submitted that claims 1, 11 and 12 are patentably distinguishable over the prior art and allowance of these claims is requested.

Claims 2-10 depend from claim 1 and should be ruled allowable for that reason and for their own merits. With regard to claims 2 and 9, there is no mention of the term 'half-toning' in the specification, much less any connection between the two bits of data being used because there are 4 quantization vectors (and therefore require two bits of data to represent the vector numbers 0, 1, 2 and 3) and half-tone color image space processing. See Maeda, column 19, line 40, through column 20, line 12.

With regard to claim 3, the existence of a separate color converter indicates that there is no combined processing of decoding and color space transformation in Maeda.

With regard to claim 4, Maeda does not show the combination of half-toning and color space transformation for the reasons as applied to claims 2 and 3.

With regard to claims 5-7, Maeda does not teach decoding and output color space processing as one process, much less that the color space processing is in the RGB, CMYK or chrominance-luminance color spaces.

With regard to claim 8, Maeda does not teach that there are two different codebooks, much less that the first codebook is not a power of 2.

With regard to claim 10, Maeda does not teach performing decoding and color space processing in one process, much less that the color space processing is operating on vector quantization done from multiple color components.
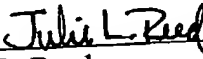
It is therefore submitted that claims 2-10 are patentably distinguishable over the prior art and allowance of these claims is requested.

No new matter has been added by this amendment. Allowance of all claims is requested. The Examiner is encouraged to telephone the undersigned at (503) 222-3613 if it appears that an interview would be helpful in advancing the case.

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Respectfully submitted,

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